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THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS,
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A YEAR FOR SOME ACTION

It looks like the best opportunity since the spring of 1920 for agriculture to go ahead and do some business. The great feature about the general situation is that the country has finally worked out from under its paralyzing surpluses. Those vast crop yields of four and five years ago, dammed back by the stagnant demand of the deflation period, later worked over and carried along in animal form, are disappearing. The decks are fairly well cleaned for a new deal.

The corn situation is obvious. Stocks of the old grain are almost non-existent. Corn supplies are so short that it has put a sharp brake upon livestock production. Wheat surpluses, that burdened the West through three long years of near-bankruptcy, have likewise disappeared in a burst of market fireworks. Moreover, when the whole world uses up its reserves of a great staple like wheat, when the normal exporting countries have to turn buyers, the stage is set to absorb a pretty sizeable world crop for a year or two to come. So with cotton and wool - world reserves still needing to be replenished and supplies increasing but slowly.

The surpluses of livestock have especially depressed agriculture for a couple of years and perhaps the most significant item in the situation is that these are passing. The case is obvious for sheep, which are already high in price. Liquidation of hogs has been going on at a rate which we shall begin to appreciate in about a year. Cattle are still numerous. Beef cattle, however, have apparently turned the corner toward diminished numbers and higher prices, though this is a very slow movement. Dairy cattle have passed a crest in numbers through the East though they are still increasing in western butter territory.

In the case of more localized products like potatoes, leading truck crops, tobacco, sugar beets and so on, the outlook is not the rosier in every case, but it is as good or better than any spring in five years. The one great crop which appears to face an absolute readjustment in acreage - and for good and permanent reasons - is timothy hay.

What does all this mean? It means that we have closed one chapter in this after-war period and are about to open a new one; that the first and most painful readjustment has been accomplished. Does it mean that this is a year to expand, to "plunge?" Most emphatically, no. This and some years to come are a time for conservatism, for rigid economy, for cautious management, as every good farmer knows. But taxes and interest have to be met somehow. The average individual does not pay debts by holding back the plow when the odds are anything like even. The chances this spring appear a little better, on the whole, than they have in five years.

KEY REGIONS AT A GLANCE

THE EAST - Getting ready for business while the soil dries out and the muddy roads settle down. Last month provided some mild weather which took much of the frost out of the ground and opened the streams. General conditions not unlike last spring; little improvement.

THE SOUTH - Fruit trees blossoming; potatoes up; cabbage, spinach and other truck crops moving to market; growth been hampered by drought west of the Mississippi. South is generally getting spring work under way. Conditions fairly good.

CORN BELT - Making preparations for spring work, with some plowing already done. Winter grain looking fairly good. Common reports of scarcity of dependable seed corn. Extent of liquidation in hogs suggests possible sharp reversal of corn-hog price situation this year - depending, of course, on growing season. Region in rather better spirits, though not in greatly different financial condition than last year.

WHEAT BELT - Winter wheat is growing; apparently came through in good condition, except where hurt by drought in Texas and freezes in local areas in central Kansas and Nebraska. Preparations indicate some increased acreage of spring wheat in north. Said to have been quite a bit of grain still in hands of farmers last month. Spring work is quite generally under way. Region in better shape than last spring.

RANGE COUNTRY - Livestock profited by mild weather of last month; generally in good shape. Range in good condition in east; suffering from drought in south; stock have been mostly on feed in western districts. Lambing in progress. Ewes in demand. Contracting for wool and early lambs shows market still strong. Sheep are at present the bright spot in the range situation. Water prospects are apparently good except in south.

PACIFIC COAST - Spring work in full swing. Considerable reseeding of wheat in north. Grain, truck crops, and pastures in good condition elsewhere. Deciduous fruit blossoming well along. Citrus fruit still being picked in south. Southern California still needs rain. General situation on coast about like last spring.

AVERAGE PRICES, AT THE FARM, OF REPRESENTATIVE PRODUCTS
Month Ending February 1, 1925.

Actual prices received at the farm by producers. Average of reports covering the United States, weighted according to relative importance of county and State. Figures compiled by Division of Crop and Livestock Estimates of this Bureau. Quotations in dollars or cents.

Shows 1913, year ago, and latest available months.

	<u>Jan.</u> <u>1913</u>	<u>Jan.</u> <u>1924</u>	<u>Dec.</u> <u>1924</u>	<u>Jan.</u> <u>1925</u>
Cotton, per lb.	¢ 12.0	32.5	22.0	22.7
Corn, per bu.	¢ 49.8	73.6	105.6	112.0
Wheat, per bu.	¢ 78.0	96.7	141.1	162.1
Hay, per ton	\$ 10.98	13.59	12.69	12.70
Potatoes, per bu.	¢ 51.8	86.4	64.1	70.2
Oats, per bu.	¢ 32.3	43.4	50.6	54.0
Apples, per bu.	¢ 74.3	121.3	128.2	144.9
Beef cattle, per 100 lbs.	\$ 5.40	5.38	5.35	5.63
Hogs, per 100 lbs.	\$ 6.77	6.59	8.39	9.31
Eggs, per dozen	¢ 24.8	35.4	49.9	48.6
Butter, per lb.	¢ 28.0	44.9	41.8	41.3
Wool, per lb.	¢ 18.6	36.6	42.2	42.8
Veal calves, per 100 lbs.	\$ 7.06	8.36	7.84	8.50
Lambs, per 100 lbs.	\$ 6.03	10.19	10.96	12.69

The price situation of the beginning year has been still more encouraging to producers of wheat, corn, and sheep. It has continued discouraging to producers of beef cattle, and more or less so to potato and hay growers.

The great lesson that far-sighted men learn about prices is that it is the probable price of next season - not last - that offers the real guide to production. As a working principle, the thing that is very low in price can usually be expected to go up, while the thing that is very high is likely to go lower. Hogs and potatoes have been too low; corn and wheat have been exceedingly high.

PRICE INDEXES FOR MONTH ENDING FEBRUARY 1, 1925.

1913 = 100

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics, (latter shown to nearest whole number.) Shows year ago, and latest available months:

Farm Products

(Prices at the farm)

	Jan. <u>1924</u>	Dec. <u>1924</u>	Jan. <u>1925</u>	Month <u>Trend</u>
Cotton	275	177	183	Higher
Corn	124	178	189	Higher
Wheat	123	180	207	Higher
Hay	124	115	115	Same
Potatoes	134	100	109	Higher
Beef cattle	91	91	95	Higher
Hogs	88	112	124	Higher
Eggs	183	258	252	Lower
Butter	166	155	153	Lower
Wool	219	253	256	Higher

Commodity Groups

(Wholesale Prices)

	Jan. <u>1924</u>	Dec. <u>1924</u>	Jan. <u>1925</u>	Month <u>Trend</u>
Farm products	144	157	163	Higher
Food, etc.	143	158	160	Higher
Cloths & clothing	200	191	191	Same
Fuel & lighting	169	165	168	Higher
Metal & met. products	142	133	136	Higher
Bldg. materials	181	175	179	Higher
Chemicals, etc.	132	135	135	Same
House-furnishing goods	175	172	173	Higher
<u>ALL COMMODITIES</u>	151	157	160	<u>HIGHER</u>

RELATIVE PURCHASING POWER

(At January 1925 Farm Prices)

1913 = 100

Of a Unit of:

<u>In terms of:</u>	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All commodities	114	118	129	72	68
Cloths, etc.	96	99	108	60	57
Fuel, etc.	109	112	123	68	65
Metals, etc.	135	139	152	85	80
Bldg. Materials	102	106	116	64	61
House-furnishing goods	106	109	120	66	63

	<u>Beef Cattle</u>	<u>Swine</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	59	78	157	96	160
Cloths, etc.	50	65	132	80	134
Fuel, etc.	57	74	150	91	152
Metals, etc.	70	91	185	113	188
Bldg. materials	53	69	141	86	143
House-Furnishing goods	55	72	146	83	148

Purchasing power of a unit of cotton or grain is high enough to be encouraging to producers thereof, notwithstanding that there is little of either left in the country to be sold. The great representative crops of the East, hay and potatoes, stand at relative disadvantage, potatoes temporarily and hay probably as a result of a more permanent shift in demand. Meat animals show signs of improvement in purchasing power. Hogs are now increasing in price relatively faster than the grain on which they are fed.

Looking ahead, the whole price situation still emphasizes one thing that has seemed apparent for many months, namely that this is the time to improve the herds of livestock. Whether hogs, beef cattle or horses, it will be many a day before a more auspicious time than now to work into young and better breeding stock.

GENERAL TREND OF PRICES
1913 = 100

Year and month	Farm Price Crops 15th of month	Farm Price Livestock 15th of month	Farm Price of 30 Farm Products**	Wholesale price of Non-Agrl. Commodities*	Purchasing Power of Farm Products#
1913	100	100	100	100	100
1914	108	103	102	94	109
1915	110	95	100	97	103
1916	124	111	117	132	89
1917	208	164	176	176	100
1918	224	192	200	186	108
1919	234	198	209	195	107
1920	238	168	205	234	88
1921	109	107	116	161	72
1922	113	111	124	163	76
1923	136	103	135	167	81
1924	148	106	134	157	86
1920 Jan.	245	173	219	227	96
1921 "	125	120	135	188	72
1922 "	98	95	114	150	76
1923 "	126	106	134	170	79
<u>1924</u>					
January	140	97	137	160	86
February	141	98	136	162	84
March	138	100	131	161	81
April	140	102	130	159	82
May	139	103	129	157	82
June	142	102	130	155	84
July	155	101	132	154	86
August	163	114	139	154	90
September	154	113	132	153	87
October	157	120	138	153	90
November	151	113	137	154	89
December	156	110	139	157	88
<u>1925</u>					
January	166	120	146	159	92

* Department of Labor "All Commodities", excluding farm products and food.

Farm product index divided by index of non-agricultural commodities, revised on basis of new farm price index.

**This is the new price index worked out by this Bureau.

NEW INDEX OF GENERAL TREND OF PRICES

On Five-Year Base, August, 1909 - July, 1914 = 100

The following table presents the new index of prices of principal groups of farm products, rather than the two groups, crops and livestock, as presented on the preceding page. These indexes are on a five-year base which is regarded as a better normal base than the one year, 1913. By coincidence, the index for "all crops" and the dairy and poultry products groups equaled 100 in 1913.

Year and Month	Index numbers of farm prices					Wholesale Prices of Non-Agricultural Commodities 1/	Relative purchasing power of	
	Grains	Meat Animals	Dairy & Poultry Products	Cotton and Cotton-seed	All Groups (30 items)		Farmer's Dollar 2/	Farmer's Product 3/
1910	104	103	101	113	103	102	98	101
1911	96	87	95	101	95	96	105	99
1912	106	95	103	87	99	100	100	99
1913	92	108	100	97	100	105	96	95
1914	103	112	101	85	102	97	103	105
1915	120	104	99	78	100	101	99	99
1916	126	120	106	119	117	138	72	85
1917	217	173	133	187	176	182	55	97
1918	226	202	160	245	200	188	53	107
1919	231	206	182	247	209	199	50	105
1920	231	173	197	248	205	241	41	85
1921	112	108	151	101	116	167	60	69
1922	105	113	135	156	124	168	60	74
1923	114	106	147	216	135	171	58	79
1924	129	109	137	211	134	161	62	83
<u>1924</u>								
January	110	101	155	255	137	164	61	84
February	113	102	152	247	136	166	60	82
March	114	104	136	219	131	166	60	79
April	113	106	126	226	130	164	61	80
May	114	107	123	222	129	162	62	80
June	116	105	123	219	130	159	63	82
July	130	103	122	215	132	158	63	83
August	141	116	123	219	139	159	63	87
September	140	115	133	175	132	158	63	83
October	150	121	142	182	138	158	63	87
November	147	115	150	179	137	160	62	86
December	155	113	158	176	139	163	61	85
<u>1925</u>								
January	172	123	154	182	146	165	61	88

1/ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910-1914 = 100. 2/ The value of one dollar in exchange for non-agricultural products at wholesale prices, compared with pre-war values. 3/ The value of a unit of the farmers product in exchange for non-agricultural products at wholesale prices, compared with pre-war values.

GENERAL TREND OF WAGES AND PRICES

1913 = 100

Year and Month	General Wage Level	Farm Wages	Retail Price of Food	Wholesale Price of Food	Wholesale Price All Commodities
	N.Y. factory workers (1914=100)	(Monthly without board)	Dept. of Labor	Dept. of Labor	Dept. of Labor
1913	---	100	100	100	100
1914	100	99	102	102	98
1915	103	99	101	105	101
1916	116	108	114	121	127
1917	131	133	146	167	177
1918	188	161	168	188	194
1919	188	186	186	207	206
1920	226	214	203	220	226
1921	206	143	153	144	147
1922	201	138	142	138	149
1923	218	155	146	144	154
1924	222	156	146	144	150
1920 Jan.	213	---	203	231	233
1921 "	221	---	153	162	170
1922 "	196	---	142	131	138
1923 "	210	133	144	141	156
<u>1924</u>					
January	223	151	149	143	151
February	222	---	147	143	152
March	226	153	144	141	150
April	222	157	141	137	148
May	217	---	141	137	147
June	218	---	142	136	145
July	217	159	143	139	147
August	220	---	144	144	150
September	225	---	147	148	149
October	221	160	149	152	152
November	222	---	150	154	153
December	226	---	152	158	157
<u>1925</u>					
January	227	149	154	160	160

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT Receipts Th. bu.	CORN Receipts Th. bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	SHEEP Receipts Thousands	BUTTER Receipts Th. lbs.
1921 Total	435,606	340,908	41,040	19,764	24,168	472,011
1922 "	413,106	378,598	44,067	23,218	22,364	530,601
1923 "	386,430	271,858	55,330	23,211	22,025	549,207
1924 "	482,007	278,719	55,414	23,695	22,201	591,439
1924 Jan.	15,548	30,594	6,253	1,888	1,697	37,689
" Feb.	20,165	44,689	5,335	1,457	1,412	40,474
" Mar.	17,434	29,405	4,833	1,556	1,367	44,371
" Apr.	10,374	17,926	4,374	1,751	1,348	43,970
" May	16,039	15,988	4,321	1,890	1,344	57,462
" June	16,877	17,392	4,296	1,673	1,550	77,891
" July	39,911	18,453	4,091	1,798	1,672	78,089
" Aug.	88,461	18,841	3,196	1,934	2,005	57,624
" Sept.	81,183	22,084	3,216	2,566	3,027	47,760
" Oct.	84,858	18,877	3,990	2,737	3,295	42,220
" Nov.	58,081	15,231	4,904	2,363	1,879	30,417
" Dec.	33,076	29,239	6,604	2,083	1,605	33,471
1925 Jan.	23,247	35,820	6,104	1,868	1,467	38,118

The high price of wheat is calling out a fairly large quantity, but the very heavy fall movement has left less wheat in farmers' hands than they held in early 1924. Somewhat the same condition obtains in corn except that it is due to short crop rather than to earlier movement.

Hog movement in January was practically identical with same month a year ago. Beef cattle like last year and two years ago. Butter receipts above same month last year but not quite up to two years ago.

Everything considered, the January movement of farm products to market was moderately heavy.

COLD STORAGE SITUATION

February 1 holdings (Shows nearest million, six figures omitted:)

<u>Commodity</u>	<u>5-Year Average</u>	<u>Year Ago</u>	<u>Month Ago</u>	<u>Feb. 1, 1925.</u>
Creamery butter, lbs.	29	15	66	46
American cheese, lbs.	31	41	49	42
Case eggs, cases	255*	500*	1,050*	82*
Total poultry, lbs.	100	99	134	138
Total beef, lbs.	145	103	143	141
Total pork, lbs.	684	801	648	780
Lard, lbs.	71	54	60	113
Lamb & Mutton, lbs.	19.6	2.3	2.9	2.3
Total meats, lbs.	930	988	886	1,021
Apples, bbls.	5.4	7.6	6.7	5.2

January continued the seasonal outward movement of butter, cheese, eggs, and apples. More poultry and pork moved into storage.

It is of some significance that stored stocks of beef are now slightly below the average. Other stocks below average of the same date include eggs and lamb. Apples, stocks about average. Butter, cheese, dressed poultry, pork and lard above average.

*Thousands, or three figures omitted.

THE TREND OF EXPORT MOVEMENT

Compiled from Department of Commerce reports by Division of Statistical Research of this Bureau.

Month	WHEAT including flour	TOBACCO (Leaf)	BACON** HAMS AND SHOULDERS	LARD	TOTAL* MEATS	COTTON# running bales
	1,000 Bushels	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Bales
1923 January	12,519	41,309	74,432	107,786	86,938	474
1923 12 months	171,928	474,500	828,890	1,035,382	958,473	5,279
1924 January	12,143	47,579	79,067	132,758	90,430	547
" February	10,019	38,414	81,108	99,910	90,462	482
" March	9,374	61,172	66,694	100,726	74,464	332
" April	8,416	59,019	57,546	73,307	64,474	321
" May	7,206	39,660	45,584	62,648	51,427	326
" June	10,257	52,614	44,145	59,475	49,807	231
" July	7,600	32,520	53,769	86,788	60,406	211
" August	21,106	33,410	52,367	75,937	60,180	278
" September	39,244	37,245	43,117	65,810	50,088	737
" October	53,463	56,227	45,365	60,813	52,820	947
" November	35,102	44,229	35,430	49,120	42,395	1,307
" December	24,326	44,163	33,788	76,803	43,114	1,076
" 12 months	238,256	546,257	637,980	944,095	730,067	6,796
1925 January	12,928	35,446	56,169	78,440	65,705	1,076

Slightly more wheat and twice as much cotton went out of the country during January as in same month a year ago or two years ago. The export movement of pork products is greatly reduced below the same month last year and two years ago.

In general, that has been the story of our export trade during the last year. It represents the explanation for our high wheat prices and in large part for the fairly well-sustained price of cotton in the face of increased crops.

* Includes fresh, canned and pickled beef, bacon, hams and shoulders; fresh, canned, and pickled pork; mutton and lamb.

Includes linters.

** Includes Cumberland and Wiltshire sides.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1924 Jan.	1924 Dec.	1925 Jan.	Month's Trend
PRODUCTION				
Pig iron daily (Thou. tons)	97	96	109	Increase
Bituminous coal (Millions tons)	52	46	52	Increase
Automobiles shipped (Thou. carloads)	47	32	32	Same
CONSUMPTION				
Cotton by mills (Thou. bales)	578	532	590	Increase
Unfilled orders Steel Corp. (Thou. T.)	4,798	4,817	5,037	Increase
Building contracts (Millions dollars)	261	283	255	Decrease
Hogs slaughtered (Thousands)	4,016	4,335	3,909	Decrease
Cattle " "	1,155	1,265	1,149	Decrease
Sheep " "	920	854	786	Decrease
MOVEMENTS				
Bank clearings (N.Y.) (Billions dollars)	21	26	27	Increase
Car loadings (Thousands)	3,362	4,350	3,555	Decrease
Mail order sales (Millions dollars)	31	46	35	Decrease
Men employed, N. Y. State Factories (Thou.)	535	499	497	Decrease
Av. price 25 indus. stocks (Dollars)	112	134	135	Increase
Interest rate (60-90 day Paper)	4.88	3.56	3.63	Increase
Retail Food Price Index (Dept. Labor)	149	152	154	Higher
Wholesale Price Index (Dept. Labor)	151	157	160	Higher

Opinion on the business outlook divides somewhat into two camps. One sees the recent slump in the stock market, the easing up in the steel industry, the impending climax in the urban building boom, and is generally bearish. The others sees low interest rates maintained through this summer, contracts ahead that will keep the major industries busy, strong transportation situation, rising price level, and is generally bullish.

General agreement seems to exist as to the probability of continued city prosperity well into the year, at least. The farmer's position is now relatively stronger and whatever the trend of urban business, he has less to fear than was true two or three years ago.

THE DAIRY SITUATION

Division of Dairy and Poultry Products, B. A. E.

Stocks of butter in cold storage which have been worrying butter interests for some months still continue to be of importance. Reductions from month to month have been remarkable when compared with previous years, but, despite this movement, the surplus has remained heavy. In the four markets, for example, withdrawals during February were approximately three times heavier than last year and even for January and February combined were fully double those of the same period in 1924, but the total on hand is over three times greater this year. March 1 rolls around with total stocks in the 4 markets approximating 18 million pounds as compared with $5\frac{1}{4}$ million pounds on March 1, 1924. The present rate of movement will of course reduce stocks to a normal figure by May 1.

No definite production figures are available, and there is no way of measuring production except by receipts on markets. Referring again to the four principal wholesale markets, receipts since the first of the year are approximately 3.5 per cent lighter than during 1924. In January there was little change, but in February the decrease ran around 7 per cent. This reduction in the quantity of butter arriving at these markets can hardly be accepted as fully representing changes in production this year, but it does serve as some index of the change which has taken place. Incidentally, the arrival of less butter on wholesale markets has been of material strength to the storage butter situation. One other influence in butter markets has been favorable from the standpoint of distribution. In January, 1924, the average wholesale price of 92 score butter at New York was 53 cents. In January this year the average price was 40 cents. The difference in February was some two cents less than this, but the fact that prices have been consistently from 10 to 13 cents below last year has lent to a good consumptive demand, and will explain in part the satisfactory storage reduction referred to. With Germany absorbing large quantities of butter, the foreign situation has been firm, thus eliminating any possibility of imports into this country on any scale.

Cheese and condensed milk markets continue in their steady-to-firm position. Statistically, both are strong. Condensed milk stocks are at the lowest point they have been since March 1, 1923, and this reduction has been gradual each month since last July. While demand at the moment is somewhat slow and exports have shrunk to a low figure, this is offset by light production, and the fact that fluid milk markets are not throwing surplus milk back on condensed manufacturers. February prices to producers supplying condenseries and fluid milk markets were practically the same as January.

There has been very little change in the cheese situation. Storage stocks are somewhat heavier than a year ago, but production as judged by receipts at primary markets is not showing the same increase which has been recorded the past few years. Cheese prices recently suffered slight reductions, but these were largely due to seasonal influences, and were not significant.

BUTTER AND CHEESE SITUATION

(Thousands "000" omitted)

Stocks on hand - February 1 - United States (Lbs.)

Year	<u>In Cold storage.</u>		<u>In Manufacturers' Hands</u>		
	Butter	Cheese	Cond. & Evap.	Milk	Milk Powder.
1925	45,812	58,466	86,467		6,010
1924	15,246	57,232	155,349		9,908
Change	+ 30,566	+ 1,234	- 68,882		- 3,898
Per cent	+ 200.5	+ 2.2	- 44.3		- 39.3
Change from					
5 yr. aver. +	57.0	+ 31.6	- 31.6		---

Receipts of Butter and Cheese (Lbs.)

January	Butter at Four Principal markets	American Cheese at Wisconsin Primary Markets
1925	35,871	16,770
1924	36,096	16,452
Change	- 225	+ 318
Per cent	- 0.6	+ 1.9

Net Imports and Exports - January (Lbs.)

Year	Butter		Cheese		Cond., Evap. & Powdered milk.	
1925	115	Im.	3,403	Im.	9,534	Ex.
1924	3,927	Im.	3,179	Im.	33,651	Ex.
Change for 1 mo.	-3,812	Im.	+ 224	Im.	- 24,117	Ex.

BUTTER SUMMARY (Lbs.)

	1925	1924	1925 Inc.	% Inc.
In storage Jan. 1	65,657	30,299	+ 35,358	+ 116.7
Production one month				
farm & factory	118,914	120,023	- 1,109	- .9
Net imports	115	4,008	- 3,893	- 97.3
TOTAL- - - - -	184,686	154,330		
In storage Feb. 1- - -	45,812	15,246	+ 30,566	+ 200.5
Apparent consumption, for one month	138,874	139,084	- 210	+ 0.15

THE POULTRY AND EGG SITUATION

Division of Dairy and Poultry Products, B. A. E.

Although egg receipts showed a natural seasonal increase throughout January, they continued below those of last year. As a consequence, prices, while showing a gradual decline, remained relatively high compared to a year ago. Receipts would have shown a still greater decrease over January, 1924, if it had not been for an increase of nearly 50 per cent in the arrivals of Pacific Coast eggs at New York. This increased supply of white eggs had a weakening effect upon the nearby white egg market.

During the first half of February, the egg receipts have been greater than last year, and by the middle of the month prices had declined until they were nearly on a level with those of a year ago. Refrigerator stocks were practically exhausted early in the month and the last of the storage holdings, while showing some decline in value, worked out at prices well above those of the previous year. Trade requirements had to be supplied almost entirely from receipts of fresh eggs, and until these show a volume well in excess of current needs this may be expected to have an influence in delaying the decline in prices to a level which will cause eggs to begin moving into the storage warehouses. Early in February small quantities of Chinese shell eggs were reported as arriving on the Pacific coast.

The poultry situation remains somewhat confused. Embargoes are still in effect at New York and some other States against live poultry from middle western territory and additional embargoes have been placed against other States. In some States the drastic embargoes previously in effect have been modified so as to allow a freer movement of live poultry. Receipts of live poultry at New York during January were only 50 per cent of those during January, 1924. The demand for both live and dressed poultry continues to be considerably below normal but fluctuations in the supply have caused prices of live poultry in New York to fluctuate considerably also. The disease situation has had a strengthening effect upon live poultry prices in some of the eastern markets outside of embargoed territory owing to the fact that these markets have been kept pretty thoroughly cleaned up by purchases on account of New York dealers.

Storage stocks of dressed poultry in the face of decreased receipts at the markets, increased slightly from the record holdings of January 1 of this year with the result that the holdings on February 1 are the greatest in history. The holdings of turkeys and roasters reached a total higher than ever before, while the holdings of broilers were exceeded only by the holdings on January 1 of this year. In spite of these large holdings, and a decreased demand for poultry, prices during January of both fresh dressed and frozen poultry have held well up to or, in some classes, above the prices prevailing a year ago. During the first half of February, however, the unsatisfactory demand for poultry has caused some weakening, and prices for the most part have shown a slight gradual decline.

POULTRY AND EGG SITUATION.
(Thousands, "000" omitted)

Stocks in Storage - February 1 - United States

Year.	Shell eggs (Cases)	Frozen eggs (Pounds)	Dressed poultry (Pounds)
1925	82	16,289	138,253
1924	500	27,682	99,486
Change	-418	-11,393	+38,767
Per cent	- 83.6	- 41.2	+ 39.0
Change from 5-yr. av.	- 67.8	- 21.5	+ 38.8

Imports and Exports of Poultry and Eggs January, 1925

Year	Imports		Exports	
	1925	1924	1925	1924
Shell eggs (dozens)	214	36	893	3,297
Whole eggs, dried (Lbs.)	32	0)		
Whole eggs, frozen (Lbs.)	1,417	129)	8	29
Yolks, dried (Lbs.)	104	271)		
Yolks, frozen (Lbs.)	255	136)		
Egg albumen, dried (Lbs.)	134	84	-	-
Egg albumen, frozen (Lbs.)				
prepared or preserved	42	49	-	-
Live poultry, (Lbs.)	32	44	35	55
Dressed poultry (Lbs.)	69	29	532	134

Receipts and Apparent Trade Output at Four Markets - Eggs (Cases)

January	Receipts	Net storage Movement	Apparent trade Output
1925	565	- 599	1,164
1924	656	- 762	1,418
Change	- 91	- 163	- 254
Per cent	- 13.9	- 21.4	- 21.8

Receipts and Apparent Trade Output at Four Markets - Dressed Poultry (Lbs.)

January	Receipts	Net storage Movement	Apparent Trade Output
1925	27,585	+ 2,487	25,098
1924	37,149	+ 5,179	31,970
Change	- 9,564	- 2,692	- 6,872
Per cent	- 25.7	- 52.0	- 21.5

THE SITUATION IN VARIOUS KEY STATES

(From Reports of State Statisticians of this Bureau)

ILLINOIS - Winter wheat reports from over the State indicate little evidence of damage up to February 15. Unless the spring season damage is above the average, the acreage of wheat remaining for harvest will be somewhat larger than last year. Weather conditions during the past months have been about normal for this time of year. Milder temperatures and thawing have been more the rule during February. Fields are bare generally. Roads have broken and hauling is difficult. Due to the favorable market price, wheat has been largely marketed. Farm reserves of corn on farms vary, ranging from light to average with market movement rather light recently due to heavy roads. Corn husking delayed by the mid-winter sleet and ice storm has been completed. Seed corn supply ample. Farm supplies of oats and hay are more plentiful than usual generally. Fruit reports show considerable damage to peach buds except in extreme southern counties. No reports of severe damage to other fruits received to date.

Livestock reported in good condition quite generally. Feeding operations show a reduction from a year ago. Dairy cattle numbers, with a gain of 3 per cent, are the only class of livestock on farms showing an increase during the past year. Other cattle and sheep numbers are down 5 per cent and hogs 19 per cent less than a year ago. Recent reports indicate that the heavy hog run from Illinois is over for this season. Hog and sheep market prices have been maintained or improved slightly over a month ago. Cattle prices with few exceptions are not quite up to last month. Dairy and poultry products prices, especially eggs, are somewhat lower. The horse market has shown some improvement of late.

Farm activities have largely been confined to preparation for spring planting operations and the usual farm routine for this time of year. Farm labor and credit conditions are satisfactory. Continued economy and conservative purchases may be expected to prevail until the outcome of this season's farming operations is known by farmers. Merchants report business as only fair. The banking situation is strong. No drastic crop acreage changes are looked for this season. -- A. J. Surratt.

IOWA - Agriculture in Iowa, at this season of the year is more or less in the transitory period. Farming activities particularly related to crops have ceased to hold major attention and it is yet too early to emphasize any briskness in the spring situation.

Seed corn testing has started in a small way, and although a few farmers have reported considerable seed with fairly strong germination, yet reliable evidence as to the quality of the seed that will be put into the ground, can not be shown until later. In a general way utmost caution was used last fall at seed corn selection time, and in spite of the severe frost damage to standing corn, a shortage of seed this spring is not expected.

The dairymen of Iowa have been analyzing their part in the program of agriculture as carefully as have any other group of agriculturists. Many of them have learned that it pays to operate on a definite production program and at the same time to attempt to judge the ups and downs of dairy product prices in the future world market situation. Iowa dairymen in general have not been greatly discouraged over the dairy price situation of the past few

months. A few creamerymen tried to emphasize the oversupply of butter, but it is doubtful if any great impression was effected among farmers themselves.

The price of butterfat has been within 10 cents, approximately, of its level a year ago and at that time dairymen were getting considerably more out of their cream and butterfat sales than they were getting from other products. These dairymen have very little, if any, corn to sell and they have reduced their stock of hogs to the limit. They now appreciate as much as ever their cream checks each month.

There is no outstanding movement towards dairy herd improvement over the State, although it is certain that the trend in this direction is stronger than it has been for years. Herds are gradually being purged of that particular group of cows which are not classed as dairy cows, but which have been drafted as milkers during the expansion period of recent years. The tendency in the State is to get rid of the unprofitable cows and to delay replacement or increase until the price of feed lines up favorably for the industry. It is not uncommon for herds to be reduced at least 50 per cent and greater profit to be made than with the larger herd. If corn for feeding had been of good quality during the winter, these herd reductions might not have taken place. Discontent has been expressed among breeders because they have been unable to dispose of young bulls. Offspring from tested dams of merit however, have readily found new owners. -- Leslie M. Carl.

TEXAS - The deficiency in moisture over most of the State is beginning to cause concern. While some sections have an abundance of subsoil moisture, the surface is in many cases too dry for plowing or planting; other sections have only surface moisture without a season in the ground. The weather has permitted farm work to proceed with few interruptions so that more land than usual is now ready for seeding. Planting of corn and cotton has started in south Texas, and the sowing of spring oats is proceeding farther north. Fall sown grains have suffered from the low temperatures and dry weather. A good, general rain is urgently needed.

Pasture and range conditions are poor in most sections while feed is both scarce and high. However, cattle, sheep and goats are holding up tolerably well, with only nominal losses during the month. The spring movement of grass-fat cattle will most probably be very short. There has been a slight improvement in receipts of cream at the creameries. Good yield and price of rice last season have stimulated interest in this crop with the result that a number of idle tracts will be farmed this year. Very little interest is displayed in broomcorn this year following the poor market resulting from overproduction. An effort is being made to plant feed crops in sufficient quantity to correct the shortage of the past few years.

Demand for goods from retailers in the rural districts is not active at present, orders being held in abeyance pending the outcome of the dry season. With adequate rainfall soon, increased business activity will result promptly. As the price of cotton approached 25 cents, many who were holding began to send their bales to market. Employment conditions continue good, particularly in the south and northwest districts where new land is being put in and farm buildings erected.-- H. H. Schutz.